GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:4233
ANSWERED ON:12.12.2016
Import of Second Hand Machinery
Basheer Shri E. T. Mohammed

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government is aware that the import of second hand machinery is adversely affecting Indian industries and manufacturing sector;
(b) if so, whether the Government proposes to regularize it; and
(c) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(a) to (c): Realising the impact of imported second hand machinery, the Government has not been allowing imports of second hand capital goods under the Export Promotion Capital Goods (EPCG) Schemesince 18.4.2013.

Further, the National Capital Goods Policy, 2016 also recognizes the impact of imported second hand capital goods in some sub-sectors of the capital goods Industry and accordingly, extension of subsidy for import of second hand textile machinery has been stopped in the Revised Technology Upgradation Fund Scheme (R-TUFS) of the Ministry of Textiles. Also a scheme is presently in operation in the Department of Heavy Industries for enhancement of competitiveness in the Indian capital goods sector which aims, inter alia, to increase technology depth of the Indian capital goods sector. Several proposals have been approved under the component "Centre of Excellence for Technology Development" especially in the field of Machine Tools Industry and Textile Machinery. The technologies developed under these projects are expected to result in substitution of imports.
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